

AMENDED IN SENATE APRIL 21, 2003

SENATE BILL

No. 757

Introduced by Senator Poochigian

February 21, 2003

An act to ~~amend Section 6130 of~~ *add Sections 3208.25, 4600.8, 5307.26, and 5307.27 to the Labor Code, relating to workers' compensation.*

LEGISLATIVE COUNSEL'S DIGEST

SB 757, as amended, Poochigian. ~~Workers' compensation—state insurance.~~

Existing law establishes a workers' compensation system to compensate an employee for injuries sustained in the course of his or her employment. Existing law requires, among other things, that an employer shall provide specified medical treatment to an injured employee.

Existing law requires the Administrative Director of the Division of Workers' Compensation to, among other duties, adopt a medical fee schedule, a pharmaceutical fee schedule, an outpatient surgery facility fee schedule, and a fee schedule for medical-legal expenses.

This bill would require an injury to be at least 50% work-related in order to be compensable under the workers' compensation system. The bill would specify that an employer is only required to provide those tests, evaluations, and treatments necessary to diagnose and treat a workers' employment-related injury.

This bill would also require the administrative director, by January 1, 2004, to adopt a fee schedule for all outpatient facilities and to adopt by July 1, 2004, a utilization schedule, both of which shall be based on national standards.

~~Existing law provides that any state agency, by appropriate action, may provide hospitalization, medical treatment, and indemnity, including death benefits, to its employees and to their dependents for injury or death suffered from accident, irrespective of fault, occurring in the course of, and arising out of, the employment with that state agency, where the injury or death is not compensable under the workers' compensation law.~~

~~Existing law authorizes a state agency, in lieu of making direct payments under the above provisions, to obtain insurance from the State Compensation Insurance Fund, if certain conditions are met.~~

~~This bill would make technical, nonsubstantive changes to these provisions.~~

~~Vote: majority. Appropriation: no. Fiscal committee: no—yes. State-mandated local program: no.~~

The people of the State of California do enact as follows:

1 ~~SECTION 1. Section 6130 of the Labor Code is amended to~~
2 ~~read:~~

3 ~~6130. In lieu of direct payments pursuant to Chapter 2~~
4 ~~(commencing with Section 6110), any state agency may obtain by~~
5 ~~insurance from the State Compensation Insurance Fund, if the~~
6 ~~fund accepts the risk when the application for insurance is made,~~
7 ~~otherwise from any other insurer, to provide hospitalization,~~
8 ~~medical treatment, and indemnity, including death benefits, on~~
9 ~~behalf of its employees and of their dependents for injury or death~~
10 ~~suffered from accident, irrespective of fault, occurring in the~~
11 ~~course of, and arising out of, the employment with that state~~
12 ~~agency, when the injury or death is not compensable under~~
13 ~~Division 4 (commencing with Section 3200).~~

14 ~~SECTION 1. Section 3208.25 is added to the Labor Code, to~~
15 ~~read:~~

16 ~~3208.25. Notwithstanding any other provision of law, in order~~
17 ~~for an injury to be compensable under this division, the injury shall~~
18 ~~be at least 50 percent work-related.~~

19 ~~SEC. 2. Section 4600.8 is added to the Labor Code, to read:~~

20 ~~4600.8. An employer is only required to provide those tests,~~
21 ~~evaluations, and treatments that are necessary to diagnose and~~
22 ~~treat the work-related injury for which an employee is seeking~~
23 ~~compensation.~~

1 *SEC. 3. Section 5307.26 is added to the Labor Code, to read:*
2 5307.26. (a) *Notwithstanding any other provision of law, the*
3 *administrative director shall adopt, not later than January 1,*
4 *2004, and revise, no less frequently than biennially, a fee schedule*
5 *for all outpatient facilities, based on appropriate national*
6 *standards.*

7 (b) *Until a fee schedule for outpatient facilities is adopted*
8 *pursuant to this section, procedures for outpatient facilities shall*
9 *be subject to the official medical fee schedule adopted by the*
10 *administrative director pursuant to Section 5307.1.*

11 *SEC. 4. Section 5307.27 is added to the Labor Code, to read:*
12 5307.27. *The administrative director, after public hearings,*
13 *shall adopt, not later than July 1, 2004, and revise, no less*
14 *frequently than biennially, an official utilization schedule, based*
15 *on appropriate national standards, that specifies utilization*
16 *guidelines and protocols for purposes of this division.*

